GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:919
ANSWERED ON:28.04.2016
Wide Variation between Coal as Billed and Received
Reddy Shri Ch. Malla

Will the Minister of COAL be pleased to state:

(a) whether the Government and coal companies have taken a decision with regard to wide variation between coal as billed and coal as received on account of grade slippage be placed on record of the Central Electricity Regulatory Commission (CERC);
(b) if so, the details thereof;
(c) whether this benefit is likely to be passed on to the consumers; and
(d) if so, the details thereof?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF COAL, POWER AND NEW AND RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a)to(d) : The coal companies endeavor to supply requisite quality of coal to all power stations under Fuel Supply Agreement (FSA). As per provisions of FSA, Coal Companies raise initial coal bill on the gross calorific value of declared grade of seam.

In terms of FSA, 3rd party sampling and analysis facility at loading end is provided to the power utilities for assessment of actual grade/quality of coal. Adjustment of coal value is made based on analyzed grade/quality so assessed for which credit/debit notes are issued. Thus the power utilities effectively pay for coal value as per actual grade/quality delivered to them. Similarly FSA holders, having annual contractual quantity of 4 lakh tonnes per annum and above are also provided with the same facility of 3rd party sampling at loading end. However, no decision has been taken by Government regarding grade slippage to be placed on record of CERC.

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